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FM AMEMBASSY NEW DELHI  
TO RUEHC/SECSTATE WASHDC PRIORITY 2254  
INFO RUCNAFG/AFGHANISTAN COLLECTIVE  
RUEHBJ/AMEMBASSY BEIJING 5038  
RUEHLM/AMEMBASSY COLOMBO 8514  
RUEHKA/AMEMBASSY DHAKA 8584  
RUEHIL/AMEMBASSY ISLAMABAD 1719  
RUEHBUL/AMEMBASSY KABUL 3922  
RUEHKT/AMEMBASSY KATHMANDU 9226  
RUEHLO/AMEMBASSY LONDON 2549  
RUEHMO/AMEMBASSY MOSCOW 1120  
RUEHKO/AMEMBASSY TOKYO 4329  
RUEHCI/AMCONSUL CALCUTTA 8223  
RUEHCG/AMCONSUL CHENNAI 8433  
RUEHBI/AMCONSUL MUMBAI 7627  
RUEAIIA/CIA WASHDC  
RUCNDT/USMISSION USUN NEW YORK 3506  
RHEHNSC/NSC WASHDC  
RUEIDN/DNI WASHINGTON DC  
RHHMUNA/CDR USPACOM HONOLULU HI  
RUEHGV/USMISSION GENEVA 5830  
RUCPDOG/DEPT OF COMMERCE WASHDC  
RHHJJPI/PACOM IDHS HONOLULU HI  
RHMFISS/HQ USSOCOM MACDILL AFB FL  
RHMFISS/HQ USCENTCOM MACDILL AFB FL  
RUEKJCS/SECDEF WASHDC  
RUEKJCS/JOINT STAFF WASHDC

S E C R E T SECTION 01 OF 02 NEW DELHI 000310

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TAGS: [PREL](#) [PGOV](#) [PTER](#) [EAID](#) [ETRD](#) [MOPS](#) [KDEM](#) [KISL](#) [PK](#)  
AF, IN  
SUBJECT: INDIA SET TO INCREASE PLEDGED AID TO AFGHANISTAN

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Classified By: A/PolCouns Atul Keshap, Reason 1.5 (B,D)

¶1. (S) Summary. PolOffs met with Afghan Second Secretary Asadi to discuss Foreign Minister Mukherjee's January 22nd to 23rd visit to Afghanistan, including press reports that India is considering increasing its aid to Afghanistan by \$100 million. Asadi, speaking through an interpreter, also gave us a metaphor about terrorism emanating out of Pakistan -- explaining that like a tree, terrorism is spreading its roots throughout the region, and if it in't curtailed in time, it will spread throughout the world. He was very concerned about the effect of terrorism on the aid that India is spending in Afghanistan. Even if we get millions of dollars from India, he said, without ending this terrorism, even that will not be enough to reconstruct Afghanistan. He also expressed concern about Pakistan's restriction of Afghan exports to India. End Summary.

Appreciative of India's Aid  
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¶2. (S) Afghan Second Secretary Hidayatullah Asadi confirmed January 19th press reports that India is preparing to pledge an additional \$100 million in aid to Afghanistan, and that this would be discussed during Foreign Minister Pranab Mukherjee's visit to Kabul on January 22nd and 23rd. Mukherjee will also invite President Hamid Karzai to India for the April SAARC summit. Asadi told PolOffs that there is no country in all of Asia that is working as hard with Afghanistan as India. In comparison to Pakistan and Iran, he said, India does not wish Afghanistan harm. He took pains to

explain that even while India was set to pledge an additional \$100 million in aid to Afghanistan, his country always made an effort to take into account Pakistan's concerns about aid from India. He said the \$100 million, which he confirmed would increase India's pledged allocation to \$750 million, would largely be spent on constructing the ring road and other similar construction projects.

#### Misinterpreting US Statements

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¶3. (S) Asadi said further that he had heard of the press reports saying that a US official announced that Pakistan is a supporter of terror (sic). He explained that he supports this position and hopes the US will put pressure on Pakistan to end this terrorism. PolOff reinforced that the US is on Afghanistan's side for the long term, and that Pakistan remains a key ally in the GWOT. (Comment: Asadi is likely misinterpreting press reports here about the National Intelligence Director Negroponte's Congressional testimony that Pakistan has become a safe haven for terrorists, further spun by Indian media eager to pin terrorism on Pakistan. We disabused him of his notions. End Comment.)

#### Transit Across Pakistan Still a Problem

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¶4. (S) When asked whether Afghanistan's entry into SAARC had resolved some of the problems India was having with transporting aid across Pakistan to Afghanistan, he said nothing was yet resolved. He also said that Afghanistan wanted to send its famous dry fruit to India, but Pakistan would not cooperate. When PolOff asked to confirm that the problem was with trade going in both directions, with both

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imports from India to Afghanistan and exports from Afghanistan to India, Asadi said that the problem was the same. He said there may have been some Indian Tata trucks that were sent, but there were so many delays that it took too long to reach Afghanistan. He argued that the real reason Pakistan was putting up barriers to trade was because Pakistan was afraid of the financial setbacks they would incur if Afghanistan begins to trade in earnest with India, builds its ring road, and becomes a hub for trade from Central Asia. He said he believes the terrorist attacks on the ring road were an indication that Pakistan fears its construction.

¶5. (S) We tried to confirm with India Mr. Asadi's claims that trade in both directions across Pakistan was restricted. Indian MEA Undersecretary for Pakistan Affairs B. Shyam said he thought Afghanistan and Pakistan have a treaty that allows this kind of trade, but that there may be many barriers, including an exclusion list, that makes transit across Pakistan difficult for Afghan products. He said Afghan officials often complain that it is difficult to transport goods through the Karachi port, making this an unlikely choice for shippers.

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